

Herrliberg, April 9, 2021

MEDIA INFORMATION

First-quarter report 2021 (January - March 2021)

EMS Group:

- **Positive development of business**
- **Pleasing order situation**
- **Supply chain problems with an impact on global business recovery**
- **Supply chain bottlenecks lead to price increases**

Course of Business January - March 2021

The EMS Group, with its companies combined in the EMS-CHEMIE HOLDING AG and globally active in the business areas **High Performance Polymers** and **Specialty Chemicals**, achieved **net sales** of CHF 566 million (496) in the first three months. This is 14.1% above previous year. In local currencies, net sales increased by 15.3% compared to previous year.

After the slump in the first half-year of 2020 due to COVID-19, the economy recovered noticeably in the third and fourth quarters. The epidemic outbreak initially resulted in a worldwide demand shock and state-ordered shutdowns, including industrial plants. In the meantime, however, the comprehensive state support and stimulus measures are having a positive effect on the consumer mood. Success achieved in containing the virus, as well as the upcoming widespread vaccination of the population are creating trust and confidence again. Companies are rebuilding their inventory stocks and increasing their production capacity, generally reduced during the crisis. Innovations are being introduced into the market. As a result, sudden bursts of growth and bottlenecks in global supply chains are happening. A lack of semiconductor chips is forcing the global automotive industry to reduce production despite increasing demand.

Winter storms in the south of the U.S. have caused a shutdown of major global production capacity for basic chemicals, resulting in massive global market shortages and significant price jumps for raw materials. The logistics industry is also reporting bottlenecks and price increases.

During the pandemic, EMS continued to pursue ongoing development and expansion projects for new business. With the successful strategy of speciality products in the main area of High Performance Polymers, EMS is in a good position to make use of all opportunities offered in the market as they appear. In this way, EMS recorded a pleasing course of business in the first three months of the year and a pleasing order situation. In local currencies, net sales have already picked up to the same levels as before COVID-19. Local inventory stocks of raw material and finished products, already built up last year, safeguard delivery capacity of all EMS companies at any time, even with the current raw-material shortages. Continually rising raw material prices will make sales price increases for customers inevitable.

EMS launched comprehensive measures at all sites worldwide and at a very early stage, in order to prevent infection of employees with COVID-19. These measures have proven successful. In addition, EMS employees in Switzerland are taking part in the effective company testing programme organised by the Canton Grisons, with the aim of quickly recognising existing infectious cases in the population and avoiding a spread of the virus. In various other countries, EMS employees have already been vaccinated.

Development of net sales January - March 2021

In million CHF	2021	%-dev. prev. year	2020
High Performance Polymers			
Net sales	507	+15.1%	440
- <i>In local currencies</i>		+16.4%	
Specialty Chemicals			
Net sales	59	+5.6%	56
- <i>In local currencies</i>		+6.7%	
EMS Group			
Net sales	566	+14.1%	496
- <i>In local currencies</i>		+15.3%	

Outlook

For the business year **2021**, EMS is expecting further economic recovery worldwide. The exact course of this recovery will continue to depend on the pandemic and associated political interventions. The negative effect of COVID-19 on consumer spending and economic activities should steadily lose its impact, however. State stimulus programmes and support measures will now come into their full effect and provide strong support for consumer spending worldwide. Temporarily however, continuing instability, bottlenecks and price increases in supply chains are to be expected. The shortage of semiconductor chips in the automotive industry will also continue.

EMS will continue to follow its successful strategy of speciality products in the main area of High Performance Polymers. Steady growth in demand from customers for innovative products, solutions achieving reductions in weight and CO₂ emissions as well as cost savings through replacement of metal, is continuing. This allows EMS to develop new business and further strengthen market position. Innovative development expertise in close cooperation with customers enables EMS to quickly recognise market requirements and to adapt flexibly to them.

Due to a comprehensive number of new and innovative customer projects, EMS is also confident for the future. To satisfy increasing market demand in future as well, EMS has decided to invest more than CHF 300 million over the next 5 years in expansion of the production site at Domat/Ems (Grisons, Switzerland). The first step was the ground-breaking ceremony for a new high-rack warehouse which took place on March 31, 2021. Further major production lines, also at other production locations, will start operation this year.

For 2021, EMS continues to expect higher net sales and a higher net operating income (EBIT) than in the previous year.

Schedule

EMS reports quarterly on net sales and publishes half-year and final-year reports on net sales and income.

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| - Media conference / Half-year report 2021 | July 16, 2021 |
| - Annual General Meeting 2021 | August 7, 2021 |
| - Third-quarter report 2021 (net sales) | October 2021 |
| - Media conference / Annual Results 2021 | February 2022 |
| - First quarter-report 2022 (net sales) | April 2022 |

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